

Exhibit 11

1
2 UNITED STATES DISTRICT COURT
3 DISTRICT OF NEW JERSEY

4 Civil Action No. 3:12-cv-04947-MAS-LHG

5 - - - - -x
6 NATIONAL COLLEGIATE ATHLETIC ASSOCIATION,
7 an unincorporated association, NATIONAL
8 BASKETBALL ASSOCIATION, a joint venture,
9 NATIONAL FOOTBALL LEAGUE, an unincorporated
association, NATIONAL HOCKEY LEAGUE, an
unincorporated association, and OFFICE
OF THE COMMISSIONER OF BASEBALL, an
unincorporated association doing business
as MAJOR LEAGUE BASEBALL,

Plaintiffs,

-against-

11 CHRISTOPHER J. CHRISTIE, Governor of the
12 State of New Jersey, DAVID L. REBUCK,
13 Director of the New Jersey Division of
14 Gaming Enforcement and Assistant Attorney
General of the State of New Jersey, and
15 FRANK ZANZUCCKI, Executive Director of
the New Jersey Racing Commission,

Defendants.

16 - - - - -x

17 November 19, 2012

18 1:26 p.m.

19 Deposition of DANIEL T. MULLIN,
20 taken by attorneys for Defendants, pursuant to
21 Rule 30(b)(6) notice, held at the offices of
22 Gibson Dunn & Crutcher, 200 Park Avenue, New
23 York, New York, before Helen Mitchell, a
24 Shorthand Reporter and Notary Public.
25

1 D. MULLIN

2 responsibilities at the Department of
3 Investigations has to do with gambling.

4 Can you describe a little bit more
5 what your job entails in terms of gambling?

6 A Well, since the Black Sox scandal,
7 I guess, Baseball -- scandal has always been
8 something that Baseball is focused on,
9 preventing another scandal, and we're always
10 worried about the integrity of our game as it
11 relates to the dangers of gambling. So within
12 our department we monitor gambling trends, we
13 monitor blogs, we monitor Twitter, we have a
14 hotline for tips, and we try to monitor what's
15 going on with gambling in sports.

16 Q Now, you just mentioned you
17 monitor gambling trends.

18 How does the Department of
19 Investigations monitor gambling trends?

20 A Well, I have several analysts.
21 One of my analysts puts out a monthly report
22 on -- an internal gambling newsletter to talk
23 about prosecutions, about arrests around the
24 country.

25 For example, there was an arrest

1 D. MULLIN

2 in New York, a large-scale gambling ring was --
3 a big indictment, so that would be something we
4 would analyze in that report.

5 Q So it sounds like you monitor
6 gambling trends, you're monitoring various
7 sources of media for any news relating to sports
8 wagering; is that fair?

9 A Partially, yes, that is fair,
10 yeah.

11 Q And other than monitoring media
12 reports, what other sources do you look at in
13 terms of monitoring gambling trends?

14 A Well, we stay in close contact
15 with law enforcement, both city, state and
16 federal law enforcement.

17 Q As part of the monitoring of
18 gambling trends, does the Department of
19 Investigations talk to sports books in Las
20 Vegas?

21 A Not directly. We do annual
22 seminars with the other professional leagues,
23 the NCAA, and we do have speakers come to our
24 seminars from sports books to speak about sports
25 betting in Vegas.

1 D. MULLIN

2 Q Other than those seminars, any
3 other contact with Las Vegas sports books?

4 A No.

5 Q Now, you also mentioned that the
6 Department of Investigations has a hotline for
7 tips. When was that set up?

8 A About six months after the
9 formation of the department.

10 Q And I'm not sure you can give me a
11 precise number, but do you have any estimate of
12 how many tips you've received via that hotline?

13 MS. LENT: Object to the form,
14 vague.

15 You can answer.

16 A I guess 20 or so.

17 Q So approximately 20 tips in the
18 last, oh, three and a half to four years; is
19 that accurate?

20 A Yes.

21 Q Of those 20 tips, how many of
22 those has the Department of Investigations
23 actually investigated?

24 A We investigate all of them.

25 Q And for any of those tips you

1 D. MULLIN

2 received, did any of them involve alleged game
3 fixing?

4 A No.

5 Q Can you generally describe what
6 the -- what the tips involved if they didn't
7 involve game fixing?

8 A General categories would be --
9 probably the most common one is performance
10 enhancing drugs, and then after that I would say
11 improper player assignments, assigning players as
12 a competitive business, and we get tips on a
13 club that may have acted improperly in
14 recruiting or signing a player.

15 Q Did any of the approximately 20
16 tips you referred to involve gambling?

17 A No. That really hasn't been the
18 focus of that hotline. We have cards and
19 posters, and to this point the hotline has
20 really been focused more on performance
21 enhancing drugs than anything else.

22 Q Now, aside from monitoring
23 gambling trends through the media and through
24 your law enforcement contacts, does the
25 Department of Investigations conduct any other

1 D. MULLIN

2 sort of research into gambling trends?

3 A Other than our analysts doing
4 their research, no.

5 Q And the analysts who do the
6 research -- I know you mentioned media, and I
7 assume that those analysts also talk to law
8 enforcement officials; is that correct?

9 A They do, and that's been the best
10 source of information. We've had two fairly
11 large-scale gambling investigations that we've
12 done in the last several years, and both of
13 those came out of law enforcement contacts.

14 Q I want to talk a little bit about
15 the two large-scale investigations you just
16 referred to.

17 What were those large-scale
18 investigations?

19 MS. LENT: I'm just going to
20 caution the witness that -- certainly be
21 responsive, but if we need to designate
22 this as highly confidential, let me
23 know.

24 Matt, you also just be cautious
25 about confidentiality concerns. If you

1 D. MULLIN

2 can ask more general questions, that
3 would be better.

4 MR. HOFFMAN: Sure.

5 Let's start on the general level,
6 and then depending on what the answer is
7 we can figure out whether or not we need
8 to designate anything as highly
9 confidential.

10 MS. LENT: Great.

11 THE WITNESS: Okay.

12 A The first one I'll talk about came
13 from a law enforcement tip that was an organized
14 crime investigation in New York that was focused
15 on a large-scale organized crime back bookmaking
16 operation, and they were focusing on one figure
17 in particular, and his phones were being
18 wiretapped, and seven of our Major League scouts
19 were picked up gambling on a wiretap.

20 Q So this first large-scale
21 investigation involved illegal gambling with
22 organized crime in New York?

23 A Yes -- not in New York, no, in
24 different states on the east coast. It was a
25 New York-based investigation, but it involved

1 D. MULLIN

2 scouts in a number of different cities up and
3 down the east coast, and it was all sports
4 wagering.

5 Q And as part of that investigation
6 were any of these scouts wagering on Major
7 League Baseball games?

8 A Not that we found, no.

9 Q You mentioned a second large-scale
10 investigation. Tell me a little bit more about
11 that.

12 THE WITNESS: This would be more
13 highly confidential.

14 MS. LENT: Okay.

15 A This would be more of the highly
16 confidential nature.

17 A club -- a team club house
18 manager -- actually, a club house manager,
19 traveling secretary, a lot of responsibility, we
20 found from a law enforcement source that he was
21 betting up to \$30,000 a week -- a lot of
22 money -- and so we focused our resources on him.
23 His salary wouldn't support that kind of weekly
24 betting amount, and we found that he was
25 involved in wide-scale fraud. He was stealing

1 D. MULLIN

2 MS. LENT: I have the same
3 objection. That's not what number two
4 says. And in fact, I think the court --

5 MR. HOFFMAN: You can answer.

6 MS. LENT: I'm sorry.

7 In fact, I think the court
8 specifically stated that the 30(b)(6)
9 deponents would not be testifying about
10 irreparable harm.

11 MR. HOFFMAN: Okay. Well, let's
12 do it this way.

13 Q Are you prepared today,
14 Mr. Mullin, to testify about Major League
15 Baseball's alleged harm by the New Jersey
16 gambling law?

17 MS. LENT: I'm going to object
18 again.

19 I mean, number two says "the
20 impact or potential impact of sports
21 gambling," and it goes on. It's a
22 specific -- there is specific language
23 right here in front of us, so I don't
24 know why you're trying to paraphrase it.
25 You could just read it.

1 D. MULLIN

2 MR. HOFFMAN: Okay. I thought
3 that was deposition topic number three,
4 but -- do I have an old version of this?

5 MS. LENT: You must. You must.
6 What we're looking at --

7 MR. HOFFMAN: My apologies.

8 MS. LENT: -- is different.

9 Q Mr. Mullin, are you prepared to
10 testify as Major League Baseball's designee on
11 Major League Baseball's -- the impact or
12 potential impact of sports gambling on Major
13 League Baseball?

14 A Yes.

15 Q Now, you understand this means
16 that you must testify about information known or
17 reasonably available to Major League Baseball on
18 these topics; correct?

19 A Yes.

20 Q Other than conversations with
21 counsel, what did you do today to prepare for
22 your deposition?

23 A Just reviewed some notes.

24 Q And what notes were those?

25 A I looked at the notes from our

1 D. MULLIN

2 recent gambling seminar.

3 Q Do you know if those notes were
4 produced in this litigation?

5 A I believe they were.

6 Q Did you review any other
7 documents, other than the notes you just
8 referred to, in preparation for today's
9 deposition?

10 A No.

11 Q Did you speak to anyone other than
12 counsel?

13 A Well, both counsel -- I spoke to
14 in-house counsel also, Tom Ostertag, and Chris
15 Brumm.

16 Q Other than your outside counsel
17 and your in-house counsel, did you speak to
18 anyone else about today's deposition?

19 A No.

20 Q Now, in terms of preparation for
21 today's deposition, did you find any studies by
22 Major League Baseball regarding the impact of
23 sports gambling on Major League Baseball?

24 A No.

25 Q Do you know if Major League

1 D. MULLIN

2 representative from MGM Sports Book, so that's a
3 number that they used and agreed upon. It's an
4 approximation, but that seems to be a number
5 that the industry agrees on.

6 Q And does Major League Baseball or
7 the Department of Investigations have any of
8 their own studies regarding how much sports
9 gambling on Major League Baseball games occurs
10 in Las Vegas?

11 A No.

12 Q Now, have these Las Vegas industry
13 groups ever assisted Major League Baseball in
14 identifying gambling incidents?

15 A No.

16 Q Does Major League Baseball's
17 Department of Investigations have any contacts
18 in Las Vegas for that purpose?

19 A No.

20 Q Now, I'm paraphrasing, but I
21 believe Mr. Ostertag testified in his deposition
22 that the Department of Investigations will
23 sometimes get a call or a tip from a legal
24 sports book in Nevada, but there's no formal
25 arrangement.

1 D. MULLIN

2 A I imagine it's very close to the
3 number I cited before, because Vegas is the only
4 state where that -- sports gambling is legal.

5 Q Now I'm going to switch gears a
6 little bit, I'm going to talk about illegal
7 sports gambling. Okay?

8 A Yes.

9 Q Do you, Mr. Mullin, as the head of
10 the Department of Investigations, know how much
11 illegal sports gambling occurs in New Jersey?

12 A I don't.

13 Q Does the Department of
14 Investigations have any studies or surveys
15 regarding how much illegal sports gambling
16 occurs in New Jersey?

17 A Studies, no, I do not.

18 Q Does the Department of
19 Investigations have any estimate regarding how
20 much illegal sports gambling occurs in New
21 Jersey?

22 A Based on anecdotal knowledge or on
23 a study -- I don't have anything based on a
24 study. But based upon prosecutions and
25 indictments like the one that occurred last

1 D. MULLIN

2 month, I would say hundreds of millions of
3 dollars.

4 Q In terms of illegal sports
5 gambling in New Jersey, which you just referred
6 to as being in the hundreds of millions of
7 dollars, does the Department of Investigations
8 have any sense of whether illegal sports
9 gambling in New Jersey is larger than legal
10 sports wagering in Nevada?

11 MS. LENT: Object to the form.
12 You can answer.

13 A Well, I think -- I think any study
14 you read, any expert would tell you that the
15 percentage of illegal gambling is greater than
16 the percentage of legal gambling.

17 Q And is that true for -- I'm
18 focusing here just on New Jersey. Would that be
19 true for the State of New Jersey as compared to
20 the State of Nevada? And what I mean by that is
21 the amount of illegal sports gambling in New
22 Jersey that currently goes on as compared to the
23 amount of legal sports gambling in Nevada.

24 A You're asking me to compare Nevada
25 to New Jersey?

1 D. MULLIN

2 Q I'm asking you to compare -- if
3 you have any estimate or any basis for any
4 estimate comparing the amount of illegal sports
5 gambling that currently is going on in New
6 Jersey as compared to the amount of legal sports
7 gambling going on in Nevada.

8 A I couldn't quantify it other than
9 to say that, again, any study would indicate
10 that the percentage of illegal gambling is
11 higher than the percentage of legal gambling.
12 So taking into consideration per capita and the
13 size of the state, I could say generally that
14 there is more illegal gambling -- higher amount
15 of illegal gambling than there is --
16 number-wise -- than there is legal in Las Vegas.

17 Q Now, you mentioned that your
18 estimates of illegal sports gambling in New
19 Jersey are based on anecdotal evidence,
20 including some of the criminal investigations
21 that you referred to.

22 Is that estimate based on anything
23 else?

24 A Such --

25 MS. LENT: I'm going to object to

1 D. MULLIN

2 Investigations have any studies or surveys
3 regarding how much illegal sports gambling
4 occurs in the United States as a whole?

5 A No.

6 Q Does the Department of
7 Investigations have any estimate of how much
8 illegal sports gambling occurs in the United
9 States as a whole?

10 A It's -- there is no exact number
11 on that. I mean, I think people cite, you know,
12 anywhere from ten to 50 times the legal volume,
13 but, no, I don't have any information based on a
14 study.

15 Q The numbers that the -- the size
16 of the illegal sports gambling market in the
17 United States is ten to 50 times higher than the
18 legal sports gambling market in the United
19 States, where did you derive those numbers?

20 A Well, there are multiple sources.
21 It's not an exact science, no one knows for sure
22 what the volume of illegal sports gambling is,
23 but experts have estimated that illegal gambling
24 is significantly higher than legal gambling, and
25 that's some of the numbers that are cited from

1 D. MULLIN

2 what percentage, I couldn't say.

3 Q And what do you base your
4 statement that the amount of legal sports
5 gambling would increase on?

6 A Could you repeat the -- the amount
7 of legal sports gambling?

8 Q Sure. That was a poor question.
9 Your testimony was that you
10 thought that legal sports gambling on Major
11 League Baseball games would increase in the
12 United States if New Jersey implements its
13 sports wagering law; correct?

14 A Yes.

15 Q And my question is, what is the
16 basis for that belief?

17 A Well, if you look at the universe
18 of people that legally bet on baseball, that
19 occurs now only in Las Vegas, and if you add a
20 second state, New Jersey, where you could now
21 bet legally on baseball, I think it's a valid
22 assumption that the numbers of legal baseball
23 gamblers would increase.

24 Q Other than your assumption,
25 anything else you're basing that on?

1 D. MULLIN

2 diminishment of fan loyalty, what I hear you're
3 saying is that could have a financial impact on
4 Major League Baseball; correct?

5 A Correct.

6 Q So aside from the harms you've
7 just testified to, any other harms?

8 A Well, just to expand on the first
9 point, I think when gamblers become involved in
10 sports -- organized crime is extensively
11 involved in gambling, and people in organized
12 crime, in my experience, don't limit themselves
13 to one kind of crime. Organized criminals are
14 involved in gambling and prostitution and any
15 kind of corrupt behavior you can think of. So
16 whenever you increase the risk that -- when you
17 increase the risk of more gambling, you
18 encourage organized crime behavior, and
19 organized criminals bring with them all that
20 other bad behavior.

21 Q Any other harms that you haven't
22 already mentioned?

23 MS. LENT: I'm going to object,
24 that's a little vague.

25 Could you just be more specific in

1 D. MULLIN

2 the question you're asking him?

3 MR. HOFFMAN: Sure.

4 Q Other than the harms that you've
5 already testified to, is Major League Baseball
6 alleging any other harm as the result of New
7 Jersey implementing its sports gambling law?

8 MS. LENT: Object, that calls for
9 a legal conclusion to the extent you're
10 asking him what we're alleging.

11 I think you can talk about how it
12 might impact Major League Baseball, but
13 he doesn't necessarily need to be
14 talking about our allegations.

15 MR. HOFFMAN: Sure. I can
16 restate.

17 MS. LENT: Okay.

18 Q Other than the impacts on Major
19 League Baseball that you've already testified
20 to, Mr. Mullin, any other impact to Major League
21 Baseball as a result of the implementation of
22 New Jersey's sports gambling law?

23 A I think some -- it would invite
24 some skepticism about the results. I think,
25 going back to baseball's tradition, people have

1 D. MULLIN

2 such faith in the legitimacy in the outcome of
3 games, I think the more gambling there is, the
4 more fans would call into question umpires'
5 calls and errors and strike-outs, thinking that
6 there was some nefarious reason why things
7 happened the way they did.

8 Q Any other impact that you haven't
9 already testified about?

10 A No.

11 Q I'm going to try to break that
12 apart and let's talk about those.

13 I think the first one you talked
14 about, the danger of an increase of game fixing,
15 does the Department of Investigations know how
16 much game fixing on Major League Baseball occurs
17 in the United States?

18 A In Major League Baseball? Game
19 fixing on Major League Baseball?

20 Q Correct.

21 A None.

22 Q Have there been any incidents of
23 game fixing in Major League Baseball since the
24 1919 Black Sox incident?

25 A Not that I'm aware of.

1 D. MULLIN

2 Q Does the Department of
3 Investigations have any studies or surveys of
4 how much game fixing on Major League Baseball
5 games would occur in the United States if New
6 Jersey implemented its sports wagering law?

7 A No.

8 Q Does the Department of
9 Investigations have any estimate of how much
10 game fixing on Major League Baseball games would
11 occur in the United States if New Jersey
12 implemented its sports wagering law?

13 A No.

14 Q I'm going to talk a little bit
15 about the last impact you talked about in your
16 list, which was, I think, skepticism -- public
17 skepticism about the results of Major League
18 Baseball games, or another way to put that would
19 be an increased public perception that game
20 fixing is going on; is that fair?

21 MS. LENT: Object to the form.

22 Go ahead.

23 A If I could, you keep on talking
24 narrowly about game fixing, but I would say for
25 us there are other issues. You mentioned

1 D. MULLIN

2 A Could you repeat it? I'm sorry.

3 Q Sure.

4 MR. HOFFMAN: Actually, if the
5 court reporter could read the question
6 back.

7 (Record read)

8 A Yes, I do.

9 Q And what is the basis for that
10 belief?

11 A Well, with the widespread
12 knowledge that people are gambling on baseball,
13 I think necessarily people with that knowledge
14 would then call into question the results
15 because they know that people have a financial
16 stake in what's happening, a gambling stake in
17 what's happening.

18 Q Does the Department of
19 Investigations have any studies of the public
20 perception of Major League Baseball regarding
21 game fixing or other gambling activities?

22 A No.

23 Q Now, do you believe that a
24 perception that game fixing is going on in Major
25 League Baseball already exists for some portion

1 D. MULLIN

2 of the public?

3 A Not that I'm aware of.

4 Q Does the Department of
5 Investigations have any estimate of what portion
6 of the public would have a perception that Major
7 League Baseball games are being fixed if New
8 Jersey implements its sports gambling law?

9 MS. LENT: Objection. I think
10 that's been asked and answered.

11 But you could try.

12 A I don't.

13 Q I think you referred to fan
14 loyalty earlier, and that you believe that the
15 implementation of New Jersey's sports gambling
16 law will damage the bonds of loyalty between
17 fans and teams.

18 Is that correct?

19 A Yes.

20 Q What is the basis for that belief?

21 A Well, I think if you look at our
22 fans -- again, I'll use the Cardinals as an
23 example, but there are other teams -- it's a
24 generational thing, it's something they're born
25 with and they're loyal to that team no matter

1 D. MULLIN

2 what. The best fans are fans of their team even
3 when the team is terrible, but I think once
4 winning a wager becomes more important, rather
5 than being blindly loyal to your team, whether
6 they're good or bad, whether they win or lose,
7 winning a wager becomes more important. So if
8 betting against your team, even though they're
9 your team, is a better way to win, I think some
10 percentage of fans will do that.

11 Q Mr. Mullin, what evidence do you
12 have as the basis for that belief?

13 A Well, I know my interaction with
14 gamblers. Gamblers care about winning. If you
15 see gamblers that watch professional football,
16 their only interest in the outcome is whether
17 they win their bet or not.

18 Q Gamblers who only care about
19 winning a bet, would you consider them to be
20 fans?

21 A Would I consider them to be fans?
22 I guess if you enjoy watching the game, if
23 you're watching a game -- not my kind of fan,
24 but I guess they are a fan of some sort, yes.
25 My kind of fan is a 70-year-old lady who has

1 D. MULLIN

2 been to her fiftieth Cardinals opening day;
3 that's my kind of fan.

4 Q Is it possible, Mr. Mullin, that a
5 fan could have both loyalty to his team and also
6 want to win a bet?

7 MS. LENT: Objection. Object to
8 the form.

9 A Is that possible? Yes.

10 Q Do you have any estimate of how
11 many people who gamble on Major League Baseball
12 are avid fans of Major League Baseball?

13 A I don't.

14 MS. LENT: Matt, can we take a
15 break?

16 MR. HOFFMAN: Sure.

17 (Recess taken)

18 BY MR. HOFFMAN:

19 Q Has Major League Baseball
20 conducted any research about why fans watch
21 Major League Baseball games?

22 A I can't -- not that I'm aware of.

23 MS. LENT: I'm going to object
24 that that's outside the scope of the
25 30 (b) (6) .

1 D. MULLIN

2 A No.

3 Q Can you tell me generally what
4 those investigations were about?

5 A One involved a Major League player
6 who was in debt to an offshore online gambling
7 site for a substantial amount of money.

8 Q You mentioned six or seven
9 investigations. Can you tell me generally what
10 the other investigations were about?

11 A The other one involved -- the
12 other ones involved -- all involved Major League
13 players who had associations with gamblers who
14 had organized crime ties that we were concerned
15 about.

16 Q During your time at the Department
17 of Investigations have any of your
18 investigations involved legal gambling?

19 A Only to the extent it came up in
20 the context of a bigger investigation. For
21 example, with the clubhouse manager I mentioned,
22 he did some legal gambling, so his legal
23 gambling activities came up in the context of
24 the bigger investigation, but not an
25 investigation solely focused on legal gambling,

1 D. MULLIN

2 positions that the lawyers are taking in
3 the case.

4 Q Let me ask it this way,
5 Mr. Mullin. In terms of the impact that you
6 think the New Jersey sports gambling law will
7 have on Major League Baseball, is your belief
8 based upon the investigations you've conducted
9 in your role as the head of the Department of
10 Investigations?

11 A It's based on both. It's based
12 upon my role as head of the Department of
13 Investigations, but also my law enforcement
14 career.

15 Q To your knowledge, Major League
16 Baseball has not performed any studies regarding
17 the impact or potential impact of legalized
18 sports gambling in New Jersey on Major League
19 Baseball; correct?

20 MS. LENT: Objection, asked and
21 answered.

22 Go ahead.

23 A No.

24 Q And to your knowledge, Major
25 League Baseball has not performed any studies

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D. MULLIN

regarding the impact or potential impact of
legalized sports gambling in any state on Major
League Baseball; correct?

A Correct.

MR. HOFFMAN: I have no further
questions.

MS. LENT: I have no questions.
Thanks.

THE WITNESS: Thanks.

(Time noted: 2:35 p.m.)

DANIEL T. MULLIN

Signed and subscribed to before me
this _____ day of _____, 2012.

Notary Public